HEMSA Capstone Project

Operational Transformation

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Business Context

4 Stores

Monterrey, Mexico

High Traffic

Prime Locations

Family-Owned

Entrepreneurial Roots

No Formal Systems

Manual Operations

Problem

⚠ **Critical Issues Identified**

~10%

Shrinkage Rate

High

Internal Theft Risk

Zero

Operational Controls

Exposed

POS Cash Handling

Insight

Shrinkage is a symptom

The result is visible; the root cause is hidden

System absence is the cause

No controls = no accountability = loss

Structure defines behavior

Process and oversight change outcomes

Intervention

01	**Inventory Control**	Systematic counting & reconciliation
02	**Operational Discipline**	Documented procedures for all staff
03	**Cash Register Controls**	POS audit trail & dual custody
04	**Excel-based Tracking**	Accessible tools, immediate adoption

Execution

Manual Processes

Paper-based workflows adapted to store operations

Printed Reports

Daily printouts for owner review & sign-off

Weekly Reviews

Structured meeting cadence with accountability

PowerPoint Summaries

Executive reporting to ownership & professors

Results

~80%

Shrinkage Reduction

+15%

POS Controls Impact

100%

Visibility Achieved

✓

Cultural Shift

Key Insight

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Control = Structure
Not Technology

The most powerful management tool is a well-designed system — not software.

Thank You